IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

WEDNESDAY, THE TWENTIETH DAY OF JULY
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE C.V.RAMULU

WRIT PETITION NO : 2853 of 1998

Between:

K.Rajaiah son of Kondaiah
H.No. 9/B, 2nd street, Bank Colony, Madhavaram Milk Colony , Chennai-51

..... PETITIONER

AND

1 The Executive Director (Vigilance) the Fertilizer corporation of India Ltd., Central office, No. 55 Nehru Place, Madhuban, New Delhi
2 The General Manager F.C.I. Ltd
Ramagundam, Fertilizer City -505 210

.....RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to issue an order or direction more particulary one in the nature of Writ of Mandamus declaring that the action of the respondent in directing the petitioner to repay the ex-gratia and other benefits paid to the petitioner at the time of retirement under voluntary retirement scheme is highly arbitrary bad and illegal.

Counsel for the Petitioner: MR.P.PRABHAKAR REDDY

Counsel for the Respondents: MR.D.V.SITARAMAMURTHY

The Court made the following :

THE HON'BLE MR JUSTICE C.V.RAMULU

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WRIT PETITION NO : 2853 of 1998

ORDER:

This Writ Petition is filed seeking a Writ of Mandamus to declare the action of the respondents in directing the petitioner to repay the ex-gratia and other benefits paid to the petitioner at the time of retirement under Voluntary Retirement Scheme, as arbitrary and illegal.

2. It is the case of the petitioner that he joined the service of Fertilizer Corporation of India Limited, Ramagundam (in short 'F.C.I') with effect from 07-06-1978. Subsequently, he was promoted to various posts. Ultimately, under the Voluntary Retirement Scheme framed on 05-12-1988, by the F.C.I., petitioner retired from service with effect from
27-04-1994. He was paid terminal benefits and other benefits such as PF Balance, Gratuity, amount equivalent to earned leave, ex-gratia etc., on his voluntary retirement. Thereafter, he joined in EMGI Pharmaceutical and Chemicals Limited, Hyderabad, on 28-04-1994, as a Senior Chemist. After working for about one and half month, he left EMGI Pharmaceutical and Chemicals Limited on 08-06-1994. Thereafter, he joined in Indian Additives Limited (in short 'IAL'), a joint venture of Madras Refinary and Chevron Chemical Company (U.S.A.), as a Senior Officer (Quality Control), with effect from 10-06-1994. While so, the 2nd respondent-General Manager, F.C.I., Ramagundam, addressed a letter dated
22-01-1996 to the Geneal Manager, IAL, requesting to initiate action against the petitioner to recover a sum of
Rs.1,39,151-25 ps and further requested to remit the same to F.C.I. The Deputy

General Manager (P&A), IAL, addressed the said letter with covering letter dated 09-02-1996, directing the petitioner to settle the matter amicably with the 2nd respondent by making correspondence directly with respect to the matter relating to his voluntary retirement. Therefore, the petitioner has given written application before the National Commission for S.C's and ST's, which is looking into the grievances of the employees of S.C's and S.T's and a copy of the same was given to the respondents. The petitioner further asserted that he retired under the Voluntary Retirement Scheme and in the said scheme there is no condition that the petitioner could not join in Public Sector Undertaking. There is also no condition that even on securing job in any Public Sector, he shall pay back the benefits received under Voluntary Retirement Scheme. Therefore, the letter dated 22-01-1996 issued by the 2nd respondent is arbitrary and illegal.

3. A detailed counter-affidavit has been filed by the respondents 1 and 2 denying the allegations made by the petitioner. Further it is asserted that as per the Voluntary Retirement Scheme, when a person is allowed to retire under the Scheme, he is not supposed to join any Public Sector Undertaking. Therefore, the General Manager, IAL, was directed to recover the amounts paid to the petitioner. Therefore, the respondents have not committed any illegality or irregularity in addressing such letter to IAL seeking to recover the benefits and ex-gratia paid to the petitioner under the Voluntary Retirement Scheme, since the petitioner has violated the conditions of the Scheme.

4. Be that as it may the respondents as such have not issued any letter directly to the petitioner asking him to pay certain amounts etc.,

5. According to the petitioner, since neither immediately after he left the service of the IAL nor thereafter, no direct letter was addressed to him, the internal correspondence made between the respondents and the IAL will not have any effect on him. Even otherwise, the petitioner is entitled to a notice, if the respondents want to recover any amounts purported to have been paid under Voluntary Retirement Scheme on the ground that the petitioner has violated the terms and conditions of the Voluntary Retirement Scheme, they ought to have issued prior notice to the petitioner. But, no such course of action was adopted by the respondents.

6. However, as of now, since no notice was issued by the respondents 1 and 2 directly to the petitioner for making any recovery, it is always open for them to put the petitioner on notice as to recovery of the amounts, if any, as per law and proceed with the matter, after receiving the explanation from the petitioner.

7. Accordingly, the Writ Petition is disposed of with the aforementioned direction. No order as to costs.

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July 20, 2005

KVR

To

1 The Executive Director (Vigilance) the Fertilizer corporation
of India Ltd., Central office, No. 55 Nehru Place,
Madhuban, New Delhi
2 The General Manager F.C.I. Ltd
Ramagundam, Fertilizer City -505 210

3. Two C.D.copies.